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## BEFORE THE ARIZONA CORPORATION COMMISSION

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**COMMISSIONERS**

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2014 SEP 12 P 2:15

ORIGINAL

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF ) DOCKET NO. T-20912A-14-0300  
 RCLEC, INC. FOR APPROVAL FOR A )  
 CERTIFICATE OF CONVENIENCE AND )  
 NECESSITY TO PROVIDE INTRASTATE )  
 TELECOMMUNICATIONS SERVICES )

## NOTICE OF FILING

RCLEC, Inc. hereby files Exhibit E to its Application in this docket.

RESPECTFULLY SUBMITTED this 12<sup>th</sup> day of September 2014.

ROSHKA DEWULF &amp; PATTEN, PLC

By

  
 Michael W. Patten  
 One Arizona Center  
 400 East Van Buren Street, Suite 800  
 Phoenix, Arizona 85004

Attorney for RCLEC, Inc.

Original and 13 copies of the foregoing  
 filed this 12<sup>th</sup> day of September 2014 with:


Arizona Corporation Commission

DOCKETED

SEP 12 2014

Docket Control  
 Arizona Corporation Commission  
 1200 West Washington Street  
 Phoenix, Arizona 85007

DOCKETED BY



1 Copy of the foregoing hand-delivered/mailed  
2 this 12<sup>th</sup> day of September 2014 to:

3 Lyn A. Farmer  
4 Hearing Division  
5 Chief Administrative Law Judge  
6 Arizona Corporation Commission  
7 1200 West Washington  
8 Phoenix, Arizona 85007

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By Jaclyn Howard

## **EXHIBIT E**

### **PROJECTED TOTAL REVENUE AND OPERATING EXPENSES**

#### **RESPONSE TO QUESTION B-4**

The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.

**Answer: Depending on the state of the market at the time RCLEC receives its CCN, in the first year, RCLEC expects it will receive approximately \$78,000 to \$130,000 in revenue from the provision of telecommunications services in Arizona.**

2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.

**Answer: Depending on the state of the market at the time RCLEC receives its CCN, in the first year, RCLEC expects to incur operating expenses of approximately \$75,000 to \$125,000.**

3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list. If the projected value of all assets is zero, please specifically state this in your response.

**Answer: Applicant expects to have no jurisdictional assets in Arizona.**

4. If the projected value of all assets is zero, please specifically state this in your response.

**Answer: See response to 3.**

5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

**Answer: See response to 3.**